

Clinical Laboratories

A Statement By the Commission on Community Health Services of the California Medical Association

IN THE SPRING of 1963, the Council of the CMA asked the Commission on Community Health Services to study the matter of clinical laboratories. Since that time, several meetings have been held with representatives of the California State Department of Public Health, California Society of Pathologists, California Society of Internal Medicine, and California Association of Clinical Laboratories.

I GUIDES FOR ETHICAL CONDUCT

The Commission feels that with the full cooperation of those concerned, a program can be maintained in California, obviating the need for legislation to enforce rules which basically call for ethical conduct. The medical profession has guides for the development of such a program in the "Opinions and Reports of the Judicial Council of the American Medical Association," dated 1960. The tenets of this document, subscribed to by all medical societies in the United States, basically point out that the practice of an unearned addition to a fee for a laboratory test is not ethical, and further suggest that direct billing by all who render service is the most desirable method.

The first recommendation of the Commission is that medical societies thoroughly review the aforementioned document, that such a review be held in a regular meeting of the medical societies for all members and that these recommendations be published in all medical society bulletins.

II BILLING

It is recommended that all laboratory work be billed directly to the patient by the laboratory doing the tests, and if this is not possible, that the statement from the physician on which the costs of laboratory work is reflected be itemized so that the patient knows the amount the physician paid, and what the patient is, in turn, being charged for each laboratory test.

A contractual agreement between the laboratory and the physician is not in the best interests of the patient. The absence of a contract will eliminate the possibility of a conflict of interest for the physician. Additionally, such an agreement makes it difficult, if not impossible, to conform to the principles of direct billing, since a true cost cannot be determined for a specific test under a contract which allows a sliding scale of fees depending on the volume of tests performed.

No physician should be denied a reasonable fee for obtaining a specimen for testing purposes and/or interpreting the results of the test, but this should be itemized separately and appear on the physician's statement.

III CLINICAL LABORATORIES

It is recognized that clinical laboratories both in and out of California perform tests for California patients. It is the

feeling of the Commission that adequate supervision by competently trained individuals is necessary in every laboratory.

The best interests of the patient are uppermost in the physician's mind, therefore, the laboratories best equipped, both with personnel and equipment, should be used to perform the tests needed. The necessity for the highest quality of work in performing laboratory tests is without question. It is the feeling of the Commission that all physicians should assure themselves that the tests being performed for their patients meet the highest standards. By education of the medical profession and other disciplines involved, it is felt that any laboratories now doing substandard work, would be forced to meet the demands of the public by providing higher quality work.

IV LABORATORIES IN PHYSICIANS' OFFICES

The Commission recognizes that certain physicians maintain laboratories in their offices for the convenience of their patients. This statement in no way reflects negatively on this practice. These laboratories should maintain the same high quality of performance and the recommendations on billing are applicable.

V EDUCATION

It is the recommendation of this Commission that all disciplines concerned with this matter establish a program of education of its members regarding an ethical program based on the tenets of the 1960 edition of the "Opinions and Reports of the Judicial Council of the American Medical Association," which interprets in detail the "Principles of Medical Ethics of the AMA." Such a program should include suggested methods of direct billing and procedures or methods to be employed by physicians and laboratories that will ensure high standards of care for the California patient.

VI CONCLUSION

Specifically, as applied to the practice of medicine as a whole, all rules of conduct should apply equally.

The Commission recommends that the Council and House of Delegates of the California Medical Association promulgate, for all physicians, these principles:

- A. Each physician conducting a medical practice should directly bill only for services performed by him or his regularly employed assistants.
- B. All laboratory work should be billed directly to the patient by the laboratory performing the tests.
- C. Whenever a physician purchases specific services or commodities for a particular patient from a source outside of his office, the physician must itemize any charge to the patient for such service or commodity.

Approved by the Council, February 9, 1964.